

BUILDING BETTER PARTNERSHIPS, INC.

1455 Butte House Road
Yuba City, CA 95993
(530) 671-0220

March 6, 2018

TO: Gustavo Becerra
Manny Cardoza
Gail Allen
Rebecca Flores
Pattra Runge

Nevada County Board of Supervisors
Sutter County Board of Supervisors
Colusa County Board of Supervisors
Yuba County Board of Supervisors
City Council, Colusa
City Council, Yuba City
City Council, Live Oak
Brant Bordsen, Legal Counsel
Appeal Democrat
The Union

NOTICE OF SPECIAL MEETING March 13, 2018

You are hereby notified that the Building Better Partnerships, Inc. Special Board Meeting is scheduled for **Tuesday, March 13, 2018, at 3:30 PM at Regional Housing Authority, 1455 Butte House Road, Yuba City, CA 95993.**



Gustavo Becerra
President

BUILDING BETTER PARTNERSHIPS, INC.

Special Meeting of Board of Directors

Tuesday, March 13, 2018

3:30 PM

AGENDA

1. Call to order
2. Roll Call
 - Gustavo Becerra
 - Gail Allen
 - Manny Cardoza
 - Rebecca Flores
 - Pattra Runge
3. Public Participation: Members of the public shall be provided with an opportunity to address the Board of Directors on items of interest that are within the subject matter jurisdiction on the Board.
4. Approval of Board Minutes – October 11, 2016
5. Approval of the Management Agreement between Building Better Partnerships, Inc. and Regional Housing Authority
6. Updates
7. Director's Comments
8. Adjournment

BUILDING BETTER PARTNERSHIPS, INC.

Minutes

Special Board Meeting

October 11, 2016

1. Call to Order: President Gustavo Becerra called the meeting to order at Regional Housing Authority of Sutter and Nevada Counties, 1455 Butte House Road, Yuba City, CA 95993.
2. Roll Call: Board members present were Gustavo Becerra, Rebecca Flores, Martha Griese, Pattra Runge and Gail Allen.
3. Public Participation: None
4. Approval of Minutes – December 17, 2015: Board Member Flores made a motion to approve the Minutes of the December 17, 2015 meeting as submitted. Board Member Allen made the second. All were in favor by voice vote.
5. Resolution 16-12, Waiver of Notice and Unanimous Consent to Action:

Board Member Flores explained this resolution is in regards to the Williams project. She said the deal is scheduled to close the middle of November. Board Member Flores explained these documents will allow Board Member Becerra to sign and execute all of the documents related to the project.

Board Member Griese made a motion to approve Resolution 16-12, Waiver of Notice and Unanimous Consent to Action. Board Member Runge made the second. The following roll call vote was taken:

Vote: Ayes: Board Members Rebecca Flores, Gustavo Becerra, Pattra Runge, Martha Griese and Gail Allen
Nays: None
Abstain: None
Absent: None

6. Resolution 16-13, Approval of Partnership Authorizing Resolution:

Board Member Flores mentioned this resolution is for the partnership that will be created, Williams Senior Associates, who will be the owners of the property.

Board Member Runge made a motion to approve Resolution 16-13, Approval of Partnership Authorizing Resolution. Board Member Griese made the second. The following roll call vote was taken:

Vote: Ayes: Board Members Rebecca Flores, Gustavo Becerra, Pattra Runge, Martha Griese and Gail Allen

Nays: None

Abstain: None

Absent: None

7. Updates: Board Member Runge stated Maple Park Phase II is fully leased.

Board Member Flores shared with the adoption of today's resolutions, it will allow the process to move quickly for the Williams project and the estimated financial closing date is November 15, 2016. Board Member Flores explained a tax credit application will be submitted for Stony Creek Phase II Apartments in Williams. She shared if the tax credits are awarded staff will be notified in June.

8. Director's Comments: None

9. Adjournment: The meeting was adjourned at 3:24 PM.

BBPmn101116

Residential Management Contract

This contract is made this 1st day of March, 2018, by and between Regional Housing Authority (the "Owner") and Building Better Partnerships, Incorporated (the "Agent") to provide management services for the properties (collectively the "Properties," individually, a "Property") consisting of land, buildings and other improvements as noted below and further described in the attached Exhibit A, incorporated herein by this reference.

Properties:

Property Name: Percy Avenue Apartments
Address: 430 Percy Avenue
Yuba City, CA 95991
County: Sutter
No. of Units: 8

Property Name: Kingwood Commons
Address: 1340 Gray Avenue
Yuba City, CA 95991
County: Sutter
No. of Units: 64

Property Name: Devonshire Apartments
Address: 1431-1435 Wescott Road
Colusa, CA 95932
County: Colusa
No. of Units: 30

Property Name: NSP Properties
Address: Scattered sites
Yuba City and Live Oak, CA
County: Sutter
No. of Units: 21

1. Appointment and Acceptance. Owner hereby appoints Agent as exclusive agent for the management of the Properties and Agent hereby accepts the appointment, both appointment and acceptance being subject to the terms and conditions set forth in this contract.
2. Definitions.
 - a. "Principal Parties" means Owner and Agent.
 - b. "Residential Lease" means the lease agreement, a copy of which shall be executed by Agent on behalf of Owner and by each household.
3. Agents' Compensation. Agent shall not be compensated for its services under this contract and no management fees exchanged for services provided.
4. Term. The term of this contract shall commence on the date executed by both parties and shall continue until terminated by either party with at least 30 days advance written notice.
5. Employees. The number of employees, their job descriptions and salaries, shall be determined by Agent using as a general guide the provisions of the Management Plan developed and amended from time to time. These personnel shall be hired, supervised and discharged by Agent. Agent shall be responsible for compliance with Title I, Section 17909 of the California Code of Regulations, which requires that an owner of an apartment house containing more than four, but less than 16 apartment units must either reside on the premises or must post the

premises with the name and address of the owner or owner's agent, who is in charge of the development. If there are 16 or more units in the development, a responsible person, either the owner or its representative, must reside on the premises and be in charge of their operation.

6. Transfer of Records and Accounts. Upon termination of the contract for any reason, the following procedures shall apply:

a. The accounting records of the Properties, even if maintained and housed at the office of the Agent, shall be deemed to be the official records and property of the Owner. All such records shall be turned over to the Owner immediately upon termination of the contract or whenever a change in agent occurs. The records include, but are not limited to, resident and project files, the general ledger, all original books of entry, invoices, canceled checks, payroll records and contracts.

b. All cash, bank accounts and trust accounts must be accounted for in writing and turned over to the Owner or its representative within five working days after the termination of this contract.

c. Owner is required to have all accounts verified for their accuracy by a certified public accountant after receipt of the records. Verification shall take place within a time period to be specified by Owner at the time of the approval of the new Agent. The Agent agrees to cooperate with the Owner to satisfy this requirement.

7. Resident Selection/Affirmative Marketing Plan. Agent and Owner agree to cooperate in the implementation of the resident selection and affirmative marketing provisions of the management plan. In carrying out these provisions, Agent shall:

a. Lease units in compliance with the unit mix, including provision for any special needs such as elderly or adapted units, as prescribed by any lender or government regulations i.e., the approved Administrative Plan for Housing Choice Voucher, specifically Project Based Vouchers.

b. Assure that occupancy shall be open to all, regardless of race, color, ancestry, religion, national origin, sex, marital status, children, handicap, or other arbitrary factors.

c. Assure that all advertising, including letterheads, brochures and media advertising shall include a reference to "Equal Housing Opportunity".

d. Where a significant number of persons in the community have limited fluency in the English language, provide publications, information brochures, and leases in the native language of such persons.

e. Notify applicants of their eligibility status, and advise rejected or ineligible applicants of the right to appeal by providing them with a copy of the Grievance and Appeal Procedure that is a part of the management plan.

- f. Assure that resident selection is carried out without favoritism or partiality and that the public interest is served at all times.
 - g. Give each resident selected, at the time of acceptance, a written copy of the approved Grievance and Appeal Procedure.
8. Collection of Rents and Other Receipts. Agent shall collect when due, all rents, charges and other amounts receivable in connection with the management and operation of the Properties. Such receipts shall be deposited in the General Operating Account.
9. Accounts. If applicable, and only as required by any regulatory agency, per a written regulatory agreement, Agent shall establish separate accounts in the Owner's name for project funds. These accounts shall be the General Operating Account, the Replacement Reserve Account, the Security Deposit Account, the Operating Reserve Account, and any other accounts that may be required by lenders. Funds from these accounts shall be kept in depositories whose deposits are insured by an agency of the federal government or other comparable federally insured program.
- a. General Operating Account. If applicable, the General Operating Account shall contain the gross operating receipts received by the Agent or Owner and/or its representatives pursuant to Paragraphs 8 and 24 of this contract. These funds shall be deposited promptly in the account which is in the Owner's name.
 - b. Replacement Reserve Account. If applicable, Agent shall maintain a Replacement Reserve Account. This fund shall be maintained in an account established in the Owner's name. All interest or other income shall be applied solely to the purposes of the Fund.
 - c. Security Deposit Account. Agent shall collect security deposits in accordance with requirements of the residential lease. In collecting, handling and disbursing these funds, Agent shall comply with the requirements of the California Civil Code, Section 1950.5. These funds shall be kept in an account that is insured by an agency of the federal government or other comparable federally insured program. They shall at all times be equal to the total amount potentially due all tenants upon move-out. If interest accrues to the Security Deposit Account, it shall be disbursed as required in the Property's Management Plan.
 - d. Operating Reserve Account. If applicable, Agent shall maintain an Operating Reserve Account. This fund shall be maintained in an account established in the Owner's name. All interest or other income earned by the Operating Reserve Account shall be applied solely to the purposes of the Fund.
10. Disbursements. Agent may disburse funds from the accounts described in paragraph 9 of this contract only for the purposes noted below.
- a. General Operating Account. Disbursements may be made from this account in accordance with the budget, and shall be disbursed, applied, or reserved and set aside for payment when due, in the following priority, to the extent available:

- (1) salaries, wages, and any other compensation due and payable to the employees or agents of the Owner, employed on site in connection with the maintenance, administration or operation of the Properties, along with all withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments incurred in connection with such employees;
 - (2) all charges incurred in the operation of the Properties in connection with utilities, real estate taxes and assessments, and liability, fire and other hazard insurance;
 - (3) payments of required interest, principal, impounds, fees and charges, if any, on loans which are secured by liens on the Properties.
 - (4) all other expenses incurred to cover operating costs, including the fee of the Agent and any extraordinary expenses, in accordance with the approved annual operating budget of the Properties;
 - (5) deposits to the required reserve accounts;
 - (6) distributions.
- b. Replacement Reserve Account. If applicable, Agent may make disbursements from this account only with the prior written approval of Owner.
- c. Security Deposit Account. Disbursements may be made from this account only to:
- (1) pay the cost of any unpaid rent, damage, or unreasonable wear and tear caused by the resident, after the resident vacates the unit, or to reimburse the General Operating Account for payment of these costs; or
 - (2) return to the resident upon termination of the tenancy the portion of the deposit not used in accordance with 1) above.
- d. Operating Reserve Account. If applicable, Agent may make disbursements from this account only with the prior written approval of the Owner.
11. Insurance. If the Owner does not obtain insurance, the Agent shall obtain and keep in effect at all times, insurance covering the and its operations. The companies from whom the insurance is purchased, the conditions in the contract of insurance, the amounts of coverage and the beneficiaries of each policy, shall be determined by the Owner. Agent shall investigate and immediately furnish the Owner with full reports of all accidents occurring on or about the premises of the Properties or in connection with the operation of the Properties, or any claims or potential claims for damage arising out of such accidents, and the Agent shall cooperate with the Owner and insurers in the investigations and settlement thereof.
12. Records and Reports. In addition to requirements specified elsewhere in this contract, Agent shall have the following responsibilities with respect to records and reports:

- a. Agent shall establish and maintain a comprehensive system of records, books and accounts after consultation with the Owner. All records, books and accounts shall be subject to examination during regular hours of business by any authorized representative of the Owner, lenders or investors.
- b. Agent shall make additional reports of income and expenses in a time and manner satisfactory to the Owner.
- c. Agent shall at all times keep all financial records, books, accounts and other financial material relating to the operation of the Properties in safe condition and accessible to the Owner and lenders.
- d. Agent shall prepare and submit operating reports to the Owner in a form and time frame to be determined by the Owner.
- e. Agent shall cause the financial records of the Properties to be audited annually by an independent certified public accountant licensed in California and approved by the Owner.

13. Annual Budget. Owner shall prepare and adopt an annual operating budget for the Properties. The annual budget shall set forth the anticipated gross income of the Properties and a detailed estimate of all expenses of the Properties. The budget shall cover generally those expenses listed in paragraph 10 of this contract. Upon delivery by the Owner to the Agent, this annual budget shall be the operating budget for the next fiscal year of the Properties.

14. Maintenance and Repair. Agent shall cause the Properties to be maintained and repaired in a condition at all times acceptable to the Owner. Obligations under this paragraph shall include, but not be limited to, cleaning, painting, decorating, plumbing, carpentry, grounds care and such other maintenance and repairs as may be necessary, subject to (1) any limitations imposed by the Owner; and (2) to those limitations contained herein.

Incident thereto, the following provisions shall apply:

- a. A Preventive Maintenance Schedule shall be developed by Agent for approval by the Owner. This Schedule shall be incorporated into the Management Plan, which Plan shall be updated annually with the review of the annual operating budget.
- b. Subject to the Owner's prior approval, Agent shall contract with qualified independent contractors for the maintenance and repair of items beyond the capability of regular maintenance employees.
- c. Agent shall systematically and promptly receive and investigate all requests for maintenance or repair from residents, take action thereon as may be justified, and keep records of the same. Emergency requests shall be received and services provided on a 24-hour basis. Agent shall maintain a log book containing all service requests and maintenance repairs provided, copies of which shall be subject to periodic inspection by the Owner.

d. Subject to the spending limitations set out elsewhere in this contract, Agent is authorized to purchase all materials, equipment, tools, appliances, supplies and services necessary to ensure proper maintenance and repair of the Properties.

e. Owner shall furnish Agent with a complete set of plans and specifications accurately reflecting the Properties as built and copies of all guarantees and warranties pertinent to construction, fixtures, and equipment. With the aid of this information and inspection by competent personnel, Agent shall familiarize itself with the character, location, construction, layout, plan and operation of the Properties and especially of the electrical, heating, plumbing, air conditioning and ventilating system, the elevators, and all other mechanical equipment and systems.

15. Rent Adjustments. Agent will adjust the rents each year based upon any governmental regulations and any lender requirements.

16. Utilities and Services. Agent shall make arrangements for all common area utilities, sewage, rubbish collection, vermin extermination, decorating and laundry equipment. Agent has the authority to execute such contracts on behalf of Owner as may be necessary to secure such services, subject to the limitations described in paragraph 10 of this contract.

17. Enforcement of Residential Lease. Agent is responsible for securing the full compliance of each resident with the terms of the residential lease, the standard language of which is incorporated herein by this reference.

18. Orientation/Training. Agent and appropriate personnel shall attend orientation or training sessions as may be required by the Owner.

19. Resident Counseling. Agent shall, consistent with sound management of the Properties, counsel residents and make referrals to available community social service agencies in cases of financial hardship or under similar circumstances that could lead to termination of a tenancy or eviction.

20. Termination of Tenancies or Evictions. Agent may take action to terminate or evict any tenants where in Agent's judgment, sufficient cause for such termination or eviction exists under the terms of the residential lease. Agent is authorized to retain legal counsel to bring action necessary to carry out the decision to terminate or evict. Agent shall keep Owner informed of the progress of such actions.

21. Compliance with Government Orders. Agent shall take such action as may be necessary to comply promptly with all governmental orders or requirements affecting the Properties, whether imposed by federal, state, county or municipal authority, subject however, to the limitations stated in paragraph 10 of this contract. Agent shall take no action to comply with such orders or requirements if Owner is contesting, or has informed Agent of its intention to contest any such orders or requirements within 72 hours of the time of their receipt by Agent.

22. Nondiscrimination. In the performance of its obligations under this contract, Agent shall comply with the provisions of all federal, state or local laws prohibiting discrimination in housing on the basis of race, color, ancestry, religion, national origin, sex, marital status, children, or handicap, including Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and the regulations issued pursuant thereto (24 CFR Part I); Executive Order 11063 and the regulations issued pursuant thereto (25 CFR 570.601); and Title VIII of the 1968 Civil Rights Act (Public Law 90-384).

23. Inspection of Units. Agent shall inspect all units in the Properties at least annually during the recertification process. All lenders shall have the right to inspect any part of the Properties upon advance notice to residents as provided in the residential lease and subject to law.

24. Bids Discounts Rebates and Commissions. Agent shall obtain contracts, materials, supplies, and services on the most advantageous terms available to the Properties and shall solicit three formal bids for each major item or service required. Agent shall secure and credit to the General Operating Account all discounts, rebates or commissions obtainable with respect to purchases, service contracts and all other transactions on Owner's behalf.

25. Interpretative Provisions.

a. This contract constitutes the entire agreement between the Owner and the Agent with respect to the management and operations of the Properties and no change will be valid unless made by supplemental written contract, approved and executed by the principal parties.

b. This contract has been executed in several counterparts, each of which shall constitute a complete original contract, which may be introduced in evidence or used for any other purpose without production of any of the other counterparts.

IN WITNESS WHEREOF, the principal parties, by their duly authorized officers, have executed this contract on the date written above.

OWNER

AGENT

Regional Housing Authority

Building Better Partnerships, Inc.

By: _____

By: _____

Date: _____

Date: _____

Title: Executive Director

Title: Vice President

EXHIBIT A

Property Descriptions

Percy Avenue Apartments

Address: 430 Percy Avenue
Yuba City, CA 95991
County: Sutter
No. of Units: 8

Devonshire Apartments

Address: 1431-1435 Wescott Road
Colusa, CA 95932
County: Colusa
No. of Units: 30

Kingwood Commons

Address: 1340 Gray Avenue
Yuba City, CA 95991
County: Sutter
No. of Units: 64

NSP Properties

County: Sutter
No. of Units: 21
Addresses:

200 Jessica Drive, Yuba City, CA 95993
238 B Street, Yuba City, CA 95991
344 Anita Way, Yuba City, CA 95993
714 Andrew Drive, Yuba City, CA 95991
760 Grove Court, Yuba City, CA 95991
800 Kimball Ave, Yuba City, CA 95991
898 S. Barrett Road, Yuba City, CA 95991
954 Bridge Street, Yuba City, CA 95991
1243 Yolanda Drive, Yuba City, CA 95993
1399 Sherman Court, Yuba City, CA 95991
1475 Wendell Way, Yuba City, CA 95991
1763 Newport Drive, Yuba City, CA 95993
1803 Redhaven Avenue, Yuba City, CA 95993
1853 Rutherford Court, Yuba City, CA 95993
1942 Wild River Drive, Yuba City, CA 95991
1992 Bridge Street, Yuba City, CA 95993
2085 Nicolas Drive, Yuba City, CA 95993
2368 Walnut Street, Live Oak, CA 95953
2660 Date Street, Live Oak, CA 95953
3050 Forstner Court, Live Oak, CA 95953
3117 Roosevelt Road, Yuba City, CA 95993